United Nations E/2006/62

Economic and Social Council

Distr.: General
3 May 2006

Original: English

Substantive session of 2006
Geneva, 3-28 July 2006
Item 7 (h) of the provisional agenda*
Coordination, programme and other questions: tobacco or health

Ad Hoc Inter-Agency Task Force on Tobacco Control

Report of the Secretary-General

Summary

The present report responds to Economic and Social Council resolution 2004/62 requesting the Secretary-General to report to the Council at its substantive session of 2006 on progress made by the Ad Hoc Inter-Agency Task Force on Tobacco Control in the implementation of multisectoral collaboration on tobacco or health.

The report describes the social, economic and social concerns of tobacco use, then focuses on specific areas of concern for tobacco control where inter-agency collaboration can be important, including exposure to second-hand smoke, the link between tobacco and poverty, the World Health Organization Framework Convention on Tobacco Control, the development of a protocol to curb illicit trade in tobacco products and the issue of corporate social responsibility of the tobacco industry.

* E/2006/100.

06-33833 (E) 250506

I. Origins of the Ad Hoc Inter-Agency Task Force on Tobacco Control and update on its mechanisms and activities

1. In its resolution 1993/79 of 30 July 1993, the Economic and Social Council requested the Secretary-General to establish, under the auspices of the World Health Organization (WHO) and within existing resources, a focal point among existing institutions of the United Nations system on the subject of multisectoral collaboration on the economic and social aspects of tobacco production and consumption, taking into particular account the serious health consequences of tobacco use. The United Nations Conference on Trade and Development (UNCTAD) was given this responsibility. Between 1993 and 1998, the focal point submitted three reports to the Secretary-General at the substantive sessions of 1994, 1995 and 1997 of the Council (E/1994/83, E/1995/67 and Add.1 and E/1997/62).

2. In 1999, the Secretary-General agreed to the designation of an Ad Hoc Inter-Agency Task Force on Tobacco Control under the leadership of WHO, thereby replacing the focal point arrangement located at UNCTAD. The decision was taken in order to intensify a joint United Nations response and to strengthen global support for tobacco control. The establishment of the Task Force was endorsed by the Organizational Committee of the Administrative Committee on Coordination at its first regular session of 1999, held in Geneva on 12 and 13 April 1999 (ACC/1999/2, sect. VII).

3. In accordance with resolution 1999/56 adopted by the Council at its substantive session of July 1999 endorsing the establishment of the Task Force under WHO leadership, the Secretary-General reported to the Council at its substantive session of 2000 (E/2000/21) on progress made by the Task Force in the implementation of multisectoral collaboration on tobacco or health. A report was presented at the substantive sessions of 2002 and 2004. The present report responds to Council resolution 2004/62 requesting the Secretary-General to report to it on the work of the Task Force at its substantive session of 2006.

4. The members of the Task Force are the Department of Economic and Social Affairs of the United Nations Secretariat; the Food and Agriculture Organization of the United Nations (FAO); the International Civil Aviation Organization; the International Labour Organization (ILO); the International Monetary Fund (IMF); the United Nations Children's Fund (UNICEF); UNCTAD; the United Nations Development Fund for Women; the United Nations Development Programme (UNDP); the United Nations Educational, Scientific and Cultural Organization (UNESCO); the United Nations Environment Programme (UNEP); the United Nations Fund for International Partnerships (UNFIP); the United Nations International Drug Control Programme; the United Nations Population Fund (UNFPA); the World Bank; the World Customs Organization; WHO; the World Intellectual Property Organization; and the World Trade Organization.

5. Since its inception, the Task Force has met six times. The sixth session of the Task Force was held on 30 November and 1 December 2005 at the International Labour Office, Geneva. The meeting was co-hosted by ILO and WHO. Representatives of FAO, ILO, the Department of Economic and Social Affairs, UNESCO, UNEP, the Office of the United Nations High Commissioner for Refugees (UNHCR), UNICEF, the World Customs Organization, WHO, the World Bank, the European Commission, the European Police Office (Europol) and the

European Anti-Fraud Office participated in the session. The subjects discussed included smoke-free workplaces, the illicit trade of tobacco products, the link between tobacco control and economic development, and preparations for the implementation of the WHO Framework Convention on Tobacco Control. Participants also defined an outline and the principal themes for the structure of the fourth report to the Council.

II. Tobacco use: overview of public health, social and economic concerns[1]

6. Tobacco is the second cause of death in the world and the fourth most common risk factor for disease worldwide. It is the cause of 4.9 million deaths a year, which is equivalent to 1 in 10 adult deaths globally. The figures are even more alarming when considering that future projections estimate that the number will nearly double by 2020.

7. Almost 1.3 billion people currently smoke worldwide. More than 1 billion smokers are men and 231 million are women. Some 900 million smokers (that is, 84 per cent of all smokers) live in developing and transitional economy countries, while only about 16 per cent live in developed countries. If the global prevalence of tobacco use remains unchanged, it is projected that the total number of smokers will rise to more than 1.7 billion by 2025.

8. All tobacco products are harmful; there is no safe way of using them. The WHO World No Tobacco Day theme for 2006 is "Tobacco: deadly in any form or disguise". Unfortunately, accurate information on tobacco product ingredients, toxicants and health effects is scarce for many products. The purpose of the campaign is to help tobacco users and non-users obtain accurate information and reveal the true impact of all traditional, new and future tobacco products.

9. Given the current trends, the tobacco epidemic is expected to mostly affect poorer developing countries, which are already struggling to improve the living conditions of their populations.

10. The impact of tobacco use cannot be limited to tobacco users, given that its consumption creates negative external effects as well. Individuals exposed to the smoke of cigarette users face serious health risks. There is clear scientific evidence of an increased risk of lung cancer for non-smokers exposed to second-hand smoke, estimated at 20 per cent in women and 30 per cent in men who live with a smoker. It has also been shown that non-smokers who live with smokers have a 30 per cent greater risk of heart attack or death from heart disease.

11. Tobacco use also raises concerns as a development issue. Evidence from around the world shows that poorer individuals tend to smoke the most. For the poor, the money spent on tobacco represents a high opportunity cost; money spent on tobacco is money not spent on vital goods, such as food for the family, education and health care. Tobacco also contributes to the poverty of individuals and their families because tobacco users are more likely to suffer from disease and loss of both productivity and income (not to mention higher medical costs and death in the worst cases). Furthermore, tobacco farming and manufacturing can contribute in

[1] The reference list for the present report is available upon request to WHO.

some cases to the illness and poverty of the families involved in those activities. Tobacco and poverty form a vicious circle from which it is difficult to escape, unless tobacco users are encouraged and given the support necessary to quit.

12. Sound and strong tobacco control measures will effectively reduce consumption, which will in turn improve the health of populations and contribute to better economic development, in particular in developing countries. In the light of the above findings and arguments, the effective implementation of tobacco control, particularly through the Convention, is imperative.

III. Tobacco use and production: key areas of concern

A. Second-hand smoke and smoke-free workplaces

13. Second-hand smoke, often referred to as environmental tobacco smoke, is a mixture of the smoke from a smouldering cigarette (sidestream smoke) and the smoke exhaled by a smoker (mainstream smoke). Second-hand smoke contains over 250 carcinogenic or otherwise toxic substances. Passive smoking, also referred to as involuntary smoking, refers to the inhalation of smoke by non-smokers and smokers themselves. Exposure to second-hand smoke is common in most types of indoor locations, for example, homes, workplaces, public transpo: ation and public places. For adults residing with non-smokers, the workplace is usually the main location of exposure, while the home is typically the place of greatest exposure for children and non-working spouses (usually women).

14. Several epidemiological studies have concluded that exposure to second-hand smoke may cause serious and fatal diseases in non-smokers. Adverse health effects in children include low birth weight, fetal growth retardation and congenital abnormalities, at birth; post-natal health effects include respiratory problems, increased risk of sudden infant death syndrome (cot death), reduced physical development, increased cognition and behaviour problems and an increased risk of childhood cancers. Adverse health effects on adults include lung cancer and cancer of the oral/nasal cavity, breast cancer in young, primarily pre-menopausal women, coronary heart disease, respiratory illnesses and reduction of lung function. There is no safe level of exposure to second-hand smoke. Ventilation and air cleaning do not provide adequate protection from exposure to second-hand smoke indoors, despite claims to the contrary by the tobacco industry. The elimination of exposure to second-hand smoke through legislated smoke-free environments is the only scientifically supported solution for protection against its harmful effects.

15. In article 8 of the Convention — parties recognize that scientific evidence has unequivocally established that tobacco consumption and exposure to tobacco smoke cause death, disease and disability. Parties were thus called upon to provide protection from exposure to tobacco smoke in indoor workplaces, public transport, indoor public places and, as appropriate, other public places. In addition to improving the health of non-smokers, smoke-free environments are among the most cost-effective tobacco control policies. Evidence gathered from a systematic review showed that totally smoke-free workplaces were associated with a reduction in smoking prevalence of 3.8 per cent and decreased consumption by continuing smokers by up to 3.8 cigarettes per day. The combined effects of reduced prevalence and lower consumption corresponded to a relative reduction of 29 per cent in

cigarette consumption per employee. It is also probable that smoke-free environments reduce smoking initiation by changing societal attitudes to smoking and by reducing the number of cigarettes per day among smokers, which encourages quitting.

16. The WHO Tobacco Free Initiative, in collaboration with the Johns Hopkins University Bloomberg School of Public Health, organized an expert consultation on second-hand smoke and smoke-free environments from 1 to 3 November 2005 in Montevideo. The consultation focused on five key areas: second-hand smoke composition and health effects; the economic impact of involuntary smoking and of smoke-free legislation; the impact of smoke-free legislation on consumption; policy development, implementation and evaluation; and advocacy to promote smoke-free environments and counter tobacco industry opposition. Drawing on the discussions and outcomes of the consultation, WHO policy recommendations on second-hand smoke and smoke-free environments will be developed. The recommendations will address the scope and coverage of smoke-free policies, implementation experiences and guidelines, enforcement, evaluation and monitoring, available resources and capacity-building needs.

17. Preliminary recommendations from the consultation confirmed the scientific evidence that 100 per cent smoke-free environments were necessary to provide protection from the health effects of second-hand smoke. It is recommended that Governments aim to require that all indoor workplaces (including restaurants, bars and casinos) and public places be smoke-free. On the basis of the evidence showing that smoke-free environments do not harm businesses, including those in the hospitality sector, it is also recommended that Governments counter arguments that claim otherwise and implement smoke-free workplace policies in the hospitality sector. Experience from countries such as Ireland, Italy and Norway, which have successfully implemented a complete ban on smoking in all public places, are the best evidence that smoke-free environments are effective and do not harm businesses.

Second-hand smoke: an occupational hazard

18. Second-hand smoke is also considered an occupational hazard, namely a working condition that can lead to accidents, illness or death. There are a number of medical, hygienic and legal arguments for considering second-hand smoke at the workplace an occupational hazard.

19. Documented health effects of exposure to second-hand smoke at the workplace include cardiovascular diseases (hypertension and coronary heart disease), cancer, asthma and low birth weight. Studies conducted in the United States of America have shown that 4 to 7 per cent of deaths from coronary heart disease are caused by workplace exposure of non-smokers to second-hand smoke. Furthermore, second-hand smoke is recognized by the International Agency for Research on Cancer as a human carcinogen. Epidemiological evidence suggests that workplace exposure to second-hand smoke increases the risks of cancer by almost 20 per cent. Other evidence shows that exposure to second-hand smoke may lead to the exacerbation of already existing asthma. Furthermore, some cases of low birth weight have been attributed to workplace exposure to second-hand smoke.

20. Exposure to second-hand smoke can be assessed using direct methods measuring markers of smoke in the air of the workplace, or indirect methods relying

on mathematical modelling of different exposure scenarios. The pattern of exposure to second-hand smoke at the workplace is different from home exposure because it depends on the number of smokers on the work premises, its size, ventilation, smoking restrictions and other factors. There are effective methods to prevent exposure to second-hand smoke at the workplace. The most effective is the elimination of the risk at its source, namely the cessation of tobacco smoking or the introduction of a total ban on smoking at the workplace. Engineering controls, which for example create special smoking lounges equipped with ventilation and filters, are less effective. The organizational measures for reducing exposure to second-hand smoke include workplace policies, programmes and campaigns.

21. If second-hand smoke is considered an occupational hazard, its control should be based on legislation for occupational health and safety in addition to the legislation issued under the Convention. Occupational health and safety legislation requires the assessment of health and safety risks at the workplace, the implementation of preventive measures, providing information to and the participation of workers. Applying such legislation to second-hand smoke would require the development of specific rules for smoke control, involving labour inspection in the enforcement of such rules and the mobilization of occupational health services for tobacco control at the workplace.

22. The Safe Work department of the International Labour Office provides the training package "SOLVE", an interactive educational programme designed to assist in the development of policy and action to address psychosocial issues at the workplace. The programme considers stress, tobacco, alcohol and drugs, HIV/AIDS and violence as psychosocial problems which can lead, at the individual level, to a higher risk of accident, increased family or social problems, stigmatization and discrimination, poor health, physical or psychological illness, pain, distress, disability and death. At the organizational level, the consequences of untreated psychosocial problems are poor morale, increased absenteeism, high turnover rates, lower productivity, reduced profits or services, higher costs and reduced competitiveness. The programme can be used to address tobacco as a stressor or as a consequence of other psychosocial problems within a comprehensive programme to tackle psychosocial problems in the workplace. It comprises policy and shop floor level training, as well as a series of 1.5 hour interventions to address specific subject areas. All courses use exercises, group discussion and individual action planning to achieve their objectives. The programme focuses on prevention in translating concepts into policies and policies into action at the national and enterprise levels.

23. The headquarters of WHO is a smoke-free environment. While smoking has been restricted to specific areas of the headquarters since 1987, smoke-free policies at WHO were intensified in 2000 with smoking permitted only in two designated outdoor areas. Worker opinion was very favourable. In a survey of WHO employees conducted in 2005, 81.7 per cent of respondents "strongly agreed" that WHO should ensure a smoke-free environment. The situation is different, however, in the other agencies of the United Nations, in particular at Headquarters in New York.

24. In September 2003, the Secretary-General issued a bulletin (ST/SGB/2003/9) asking diplomats and staffers to refrain from smoking inside buildings at Headquarters "for the purpose of eliminating the risks associated with second-hand smoke for all those working on United Nations premises at Headquarters". Some diplomats refused to abide by the new policy, pointing out that although the

Secretary-General was the chief administrator of the United Nations, the power to issue mandates rested with the States Members of the General Assembly. As a consequence, the policy could be applied only to staff and not to delegates. A letter signed jointly by the Director General of WHO and the Executive Director of UNICEF was addressed in November 2005 to the Secretary-General asking him to consider strengthening the enforcement of the tobacco-free policy at the United Nations by implementing a ban of sales of tobacco products on United Nations premises and a complete smoking ban in all United Nations offices throughout the world. A response from the Under-Secretary-General for Management noted that management would explore ways to improve enforcement and introduce a complete ban in all United Nations offices throughout the world. He also noted that the sales of tobacco products were made by external vendors who had a contractual arrangement with the Organization. Consequently, the management would ask the Legal Counsel to review those arrangements to determine whether a ban on the sale of tobacco products was possible.

Follow-up actions

25. Legal precedents for public tobacco control are being set in Ireland, Italy, Malta and Norway, where widespread public smoking bans have been introduced by parliaments in recent years. Political consensus is moving towards effective tobacco control. The momentum for national bans has come from the occupational safety and health perspective. In the current climate, employers see support for smoking bans as a means of protection against potential legal action on unhealthy workplace environments. Protecting workers' health is the argument that is able to mobilize politicians to pass laws on smoking bans. At the same time, such laws would protect the health of large sections of the population and reduce public health-care costs. ILO, as the United Nations agency responsible for the world of work, is the natural home for international workplace action on smoking.

26. ILO has established structures and procedures for creating international legal documents; it is therefore logical that its existing capacity be used to pursue an issue that currently has important political implications. ILO codes of practice are part of its standard-setting instrumentarium. Codes of practice are non-binding but are often more widely used than other instruments, and can act as the basis for national laws. There is increasing awareness of the costs of second-hand smoke, in addition to the fact that some unions are beginning to spearhead developments in the area. Given that there is no ILO international standard relating directly to workplace smoking, the Task Force felt that the time had come for ILO to take a firmer stance and develop a non-binding code of practice on smoking in the workplace.

27. In line with the bulletin of the Secretary-General announcing a ban on smoking inside Headquarters buildings and the overwhelming evidence that tobacco is an occupational hazard in the workplace, the Task Force urges that the ban on smoking inside the United Nations be implemented. The Task Force recommends that the Economic and Social Council and the General Assembly adopt a resolution on smoke-free workplaces at United Nations Headquarters and regional and country offices and also that the following actions be taken: (a) implementation of a smoke-free policy at the United Nations; (b) a ban on sales of tobacco products on United Nations premises; (c) encouragement of smoking bans in consultation with the staff; and (d) an approach to the issue from an occupational safety and health perspective.

28. A smoke-free policy should be implemented in order to protect staff. Consequently, no staff services should be provided where delegates smoke. Banning smoking in the workplace should be considered a right of employees to a safer work environment. The protection of the health of staff is not negotiable; the policy should be easily adopted and implemented by managers and other stakeholders. It is worth mentioning that, to date, 124 countries have become full contracting parties to the Convention and have accepted its measures, including the one on banning smoking in public places. Now that the Convention has become a globally implemented treaty, the Task Force feels the United Nations should set a high global example by making the United Nations premises smoke-free.

B. Tobacco, poverty and development

29. Tobacco is not solely a health issue; tobacco use and production also have an impact on the poverty of individuals and countries and on the environment.

30. The Millennium Development Goals derive from the United Nations Millennium Declaration which called on Member States to work together to eliminate extreme poverty, improve health and promote human development and sustainable economic growth in the poorest nations. The first goal addresses the direct elimination of poverty and hunger. The next six focus on specific conditions that reflect poverty and/or contribute to intergenerational poverty. The eighth goal proposes a means of addressing the first seven and calls on wealthy countries to work with developing countries to ensure their economic progress and sustainable economic development. The goals include specific targets to be reached by 2015 based on the prevailing situation in 1990.

31. The recent WHO publications *The Millennium Development Goals and Tobacco Control: An Opportunity for Global Partnership* and *Health and the Millennium Development Goals* establish a link between each of the eight goals and tobacco. The section below gives a quick overview of how that link can be established.

Goal 1: Eradicate extreme poverty and hunger. More than 80 per cent of smokers live in developing countries and transitional economies. At the country level, household surveys have shown that the prevalence of tobacco use was higher among low-income groups. For poor families, spending on tobacco consumption can represent a high opportunity cost, as it reduces their capacity to seek better nutrition, medical care and education. Studies undertaken in Indonesia, Myanmar and Nepal show that low-income households spend 5 to 15 per cent of their disposable income on tobacco. In addition, tobacco use leads to disease and death. Tobacco is the largest preventable cause of death and the fourth-highest risk factor for disease worldwide. The cost of treating tobacco-related diseases is very high and can fall heavily on the finances of countries and families. Strengthening tobacco control, which effectively leads to a decrease in consumption, is an important tool in reducing the costs associated with tobacco use and hence improves poverty alleviation, in particular among the poorest in developing countries.

Goal 2: Achieve universal primary education. Education is positively correlated with economic progress and better health. Money spent by the poor

on tobacco use is money diverted from education for children. In addition, children are employed in the farming and manufacturing of tobacco in different parts of the developing world.

Goal 3: Promote gender equality and empower women. Smoking is a predominantly male habit, especially in developing countries. Women are currently being targeted by the tobacco industry as marketing encourages those in developing countries to smoke as a sign of independence and success. Women are also exposed to second-hand smoke in their homes.

Goal 4: Reduce child mortality. Poor maternal health and nutrition is a major cause of infant mortality. Money spent on tobacco may contribute to infant malnutrition because scarce resources would be diverted from household expenditure on sound nutrition for children. In addition, second-hand smoke disproportionately affects children and increases respiratory and other ailments in infants and children.

Goal 5: Improve maternal health. Money spent on tobacco is money diverted from expenses on good food for mothers in poor families, which may contribute to malnutrition. Evidence also shows that women who use tobacco have smaller babies who are weaker and more likely to die.

Goal 6: Combat HIV/AIDS, malaria and other diseases. Smoking and exposure to second-hand smoke mostly affect those who are ill and whose immune systems are weak (such as those with HIV). It has also been shown, in particular, through an important study in India, that smoking causes subclinical tuberculosis to advance to clinical tuberculosis. The study in India also implicates smoking in half of all deaths by that disease.

Goal 7: Ensure environmental sustainability. The firewood used to cure and process tobacco increases deforestation (an estimated 200,000 hectares of forests and woodlands are cut down each year for tobacco farming). Tobacco growing also requires heavy use of pesticides, which can poison people, water and land. The heavy fertilizing of land in order to grow tobacco leads to soil degradation.

Goal 8: Develop a global partnership for development. The global tobacco pandemic goes beyond national borders. Consequently, there is a need to address the problem from a global perspective. The Convention is an instrument designed to address tobacco control at the global level. However, international agencies and countries in the developed and developing world should also include tobacco control as a tool to address the Millennium Development Goals, and vice-versa.

32. Tobacco control can help in achieving the eight Millennium Development Goals. By helping tobacco users to quit and by discouraging young people to take up smoking, through strong tobacco control measures, the damage to health and the loss of basic income can both be substantially reduced, in turn leading to poverty alleviation and to better economic development in developing countries. This was already recognized by Member States of the Economic and Social Council when

they adopted resolution 2004/62 on tobacco control. The resolution specifically states that tobacco use not only has negative health, social and environmental consequences but that it also undermines efforts towards poverty alleviation, hence the importance of the enforcement of tobacco control measures through the Convention at the country level.

Follow-up actions

33. As currently defined, the Millennium Development Goals fail to address a number of important factors that contribute to sustainable development (such as tobacco control). Nonetheless, this should not prevent countries from integrating the missing factors in their national development programmes in the framework of implementation of the Millennium Development Goals. WHO, in collaboration with specialized development agencies, can play an important role in providing support to countries that wish to develop poverty reduction strategies that include tobacco control for the achievement of the Millennium Development Goals. In particular, input from UNDP, which is playing a central role in the implementation of the Millennium Development Goals through its resident representatives, can be crucial in this area. In that regard, WHO will be planning three national workshops in the South-East Asia region to help promote the integration of tobacco control into national programmes for the implementation of the Millennium Development Goals. Involvement of other agencies in the meetings, including UNDP, would be very helpful.

34. Work will also respond to the decision by the parties to the Convention, which during the first session of the Conference of the Parties strongly encourage all international and regional organizations to support activities related to tobacco control and to acknowledge its role in the achievement of the Millennium Development Goals, especially those related to poverty reduction, gender empowerment, reduction of child mortality, environmental sustainability and global partnerships for development.

C. World Health Organization Framework Convention on Tobacco Control

35. The objective of the Convention, as highlighted in its article 3, is "to protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke by providing a framework of tobacco control measures to be implemented by the Parties at the national, regional and international levels". The Convention was developed in response to the globalization of the tobacco epidemic, which is exacerbated by a variety of complex factors with cross-border effects, including trade liberalization, foreign direct investment, global marketing, transnational tobacco advertising, promotion and sponsorship and the international movement of contraband and counterfeit cigarettes.

36. The Convention is an evidence-based treaty that includes demand and supply reduction provisions. The core demand reduction provisions are contained in articles 6 to 14, which detail the price, tax and non-price measures necessary to reduce the demand for tobacco. The non-price measures include provisions such as protection from exposure to tobacco smoke, regulation of the contents of tobacco products,

regulation of tobacco product disclosures, packaging and labelling of tobacco products, education, communication, training and public awareness and tobacco advertising, promotion and sponsorship bans. The core supply reduction provisions are contained in articles 15 to 17, and include actions against the illicit trade in tobacco products, ban of sales to and by minors and the provision of support for economically viable alternative activities. Another new feature of the Convention is the inclusion of a provision to address liability issues. Mechanisms for scientific and technical cooperation and exchange of information are set out in articles 20 to 22.

37. The Convention entered into force on 27 February 2005, 90 days after the treaty had been ratified (or its legal equivalent) by 40 States. On 3 November 2005, only two and a half years after its adoption, the treaty had already been joined by 100 countries, making it one of the most widely embraced treaties in United Nations history. As at 3 May 2006, there were 126 parties spanning the globe and all income groups and covering more than 70 per cent of the world's population. The 126 parties to the Convention account for more than 74 per cent of world tobacco leaf production, 62 per cent of world tobacco leaf export, 68 per cent of world cigarette production and 63 per cent of world cigarette exports.

First session of the Conference of the Parties to the Convention

38. In accordance with article 23 of the Convention, the Conference of the Parties, the governing body of the Convention, was to be convened by WHO no later than one year after its entry into force. The first session of the Conference was held in Geneva from 6 to 17 February 2006. The agenda of the Conference included the adoption of the rules of procedure, the designation of the permanent secretariat, the adoption of its operating modalities and the budget for the period 2006-2007. Conference participants were also required to consider the study on existing sources and mechanisms of assistance prepared by the interim secretariat, recommend a template for reporting and suggest protocols and guidelines for implementing the treaty to be negotiated.

39. In compliance with article 26.5 (c) of the Convention, a study was commissioned to examine existing and potential sources of funding and technical assistance for tobacco control and implementation activities. In addition to such assistance from WHO, the study found that five other international organizations had stated that funding was or might be available: FAO, UNICEF, UNFIP, the United Nations Office on Drugs and Crime and the World Bank. The European Commission was also cited as a possible source. Nonetheless, a comprehensive system of tobacco control funding for target countries is still being developed. The international donor community needs to recognize that tobacco is a fundamental part of the Millennium Development Goals. It will be up to developing countries and countries with economies in transition to prioritize tobacco control within their country strategies to begin the necessary dialogue with donors.

40. The first Conference of the Parties decided:

(a) To establish a permanent secretariat of the Convention within WHO located in Geneva. Delegates agreed on a budget of $8 million for its operation over the next two years. Parties agreed to fund it through voluntary assessed contributions. The World Health Assembly will consider a resolution on the establishment of a permanent secretariat at its session in May 2006;

(b) To create working groups that would begin to develop protocols in the areas of cross-border advertising and illicit trade. Parties also agreed to develop guidelines to help countries establish smoke-free places and effective ways of regulating tobacco products;

(c) To assess progress made by countries in implementing the measures required by the Convention through a pilot reporting questionnaire agreed on by the Parties;

(d) To call upon developed countries to provide technical and financial support for tobacco control to developing countries and those with economies in transition and for recipient countries to give priority to tobacco control in discussions with donors;

(e) To establish an ad hoc group of experts that would study economically viable alternatives to tobacco growing and production, with a view to making recommendations on diversification initiatives for those countries whose economies depend heavily on tobacco production.

41. The implementation of comprehensive tobacco control policies at the country level, as stipulated in the Convention, is a priority. In particular, the recent decisions of the Conference require in many areas the expertise of the member agencies of the Task Force in order to help advance the implementation of the Convention. The principal areas of possible technical collaboration with WHO, as highlighted by the Task Force and in line with the provisions of the Convention are:

(a) *Employment in the farming and manufacturing sectors.* Technical collaboration among WHO, FAO and ILO would be beneficial on issues relevant to support for economically viable alternative activities for those employed in the tobacco sector who could be affected in the long term by a reduction in tobacco demand;

(b) *Smoke free policies in the United Nations system.* ILO has considerable experience in the promotion of healthy workplaces and is providing support for employers and employees to achieve smoke-free workplaces; its input could be valuable on this issue;

(c) *Children and youth.* Inter-agency collaboration, specifically with UNICEF and UNFPA, in order to raise the profile of tobacco control with a special emphasis on children and young people would be valuable;

(d) *Taxation of tobacco products.* Given their economic expertise and mandate, the World Bank and IMF could be key collaborators in helping countries to establish and implement effective evidence-based policies to reduce tobacco use;

(e) *Illicit trade in tobacco products.* The experience and work of the World Customs Organization would be constructive in this area;

(f) *Tobacco and poverty.* Tobacco use has an adverse effect on poverty particularly in low-income developing countries. In the light of the Millennium Development Goals, input from UNDP at the country level to reduce tobacco use and its burden on the poor could advance the fight against poverty;

(g) *Education, communication, training and public awareness.* Close collaboration between WHO and UNESCO at the country level would facilitate access to relevant educational and public awareness programmes;

(h) *Protection of the environment.* The promotion of environmentally friendly tobacco production and manufacturing process could be enhanced at the country level by collaboration between WHO and UNEP;

(i) *Trade and investment issues.* The implications for tobacco control of global trade liberalization have already been studied by WHO in collaboration with the World Trade Organization and the World Bank and need to be examined further.

Follow-up actions

42. The need for such collaboration was highlighted by the Conference, in particular in the area of taxation and, as stated above, in the area of viable economic alternatives.

43. With regard to taxation, the Conference decided, in the area of financial resources and mechanisms of assistance, to strongly encourage relevant international, regional and subregional organizations, international financial institutions and other partners in development to identify tobacco control as eligible for financial support, technical assistance and advice in the area of tax measures to reduce the demand for tobacco, which could be provided to developing country parties and parties with economies in transition, to help them meet their obligations related to the Convention.

44. As concerns viable economic alternatives, the Conference decided to establish an ad hoc study group on alternative crops open to interested parties to the Convention and to mandate the study group to work closely with competent international organizations, in particular FAO and the World Bank, and to cooperate in its work with the Task Force.

45. The Conference also decided to invite the Task Force to provide to the Conference, at its second session, a report on their activities and possible relevance to increasing accessibility to funding for tobacco control, and an outline of their work in intensifying the response of the United Nations to tobacco control.

46. Following the decisions of the Conference, the Director-General of WHO addressed a note verbale to the Secretary-General in March 2006 to inform him that the Conference:

- Invited the Secretary-General to provide a report to the Economic and Social Council, with the aim of the adoption of a resolution on tobacco control and related resource mobilization by the Council;
- Invited the Task Force to provide a report on its activities and possible relevance to increasing accessibility to funding for tobacco control, as well as an outline of its work in intensifying the United Nations response to tobacco control, to the Conference at its second session.

47. The expertise of each of the member agencies of the Task Force will be needed to build the technical capacity for countries to support and strengthen national tobacco control programmes.

D. Project on illicit trade in tobacco products

48. As mentioned above, one important decision of the Conference was the creation of a working group that would begin the development of a protocol in the area of illicit trade. The technical input of specialized agencies, such as the World Customs Organization, Europol and the European Anti-Fraud Office, based on their work and experience in the area of smuggling, could be of great significance during the development of the protocol.

49. The World Customs Organization, through its central, regional and national offices, collects information (such as number of seizures and quantities seized around the globe) for its database. Among its main activities, the Office assists its member countries in their daily risk assessments, intelligence work and training, and also prepares analytical reports on smuggling of different products, including tobacco. In 2005, it published customs and tobacco reports intended for officials only. The data from the reports are summarized in the paragraphs below.

50. Between 2003 and 2004, the seizure of smuggled tobacco products increased mainly in Eastern Europe and Asia and the Pacific, whereas it decreased in Western Europe and South America. The quantities seized increased in Eastern Europe, Asia and the Pacific and slightly in Western Europe, but decreased in other regions of the world. Globally, seizures of smoking tobacco increased fourfold between 2003 and 2004, while seizures of counterfeit cigarettes almost doubled between 2002 and 2004. Knowledge and surveillance of seized smuggled tobacco products can provide important insight for policymakers working in fighting the illicit trade in tobacco products.

51. The mission of Europol is to make a significant contribution to the law enforcement actions of the European Union in preventing and combating international crime, with particular emphasis on the criminal organizations involved. The analysis work file smoke project was launched in April 2005, combining customs authorities and police from some 26 European countries and the United States of America. Eurojust, the Southeast European Cooperative Initiative, the World Customs Organization, the European Anti-Fraud Office and the WHO have expressed their full support for the project. Its objectives are to create a centralized service to which investigation teams can contribute high-quality operational data from live investigations; to process and analyse data quickly and effectively to allow the dissemination of analytical reports describing the criminal networks involved in smuggling, counterfeiting and illegal manufacturing of cigarettes and other tobacco products in the European Union; to identify key individuals in criminal networks; and to reveal the modus operandi in each case so as to detect and subsequently deprive criminals of their illicit proceeds. Organized crime is particularly involved in tobacco fraud and expands into other areas from its tobacco revenues.

52. The role of the European Anti-Fraud Office is to protect the financial interests of the European Union against all fraud and irregularities affecting the revenue and expenditure of its budget. The smuggling of both genuine and counterfeit cigarettes into the European Union has led to significant budgetary losses for both the Union and its member States. In order to fight against such problems, the European Union and certain Member States signed an anti-contraband and anti-counterfeit agreement with Philip Morris International, a comprehensive anti-smuggling and anti-money-laundering system for Philip Morris products covering them before and after

distribution. It requires: (a) supplemental payments of up to 500 per cent of duties and taxes due on smuggled genuine Philip Morris cigarettes seized in the future; (b) compliance protocols to protect against smuggling and money-laundering; and (c) tracking and tracing protocols to assist law-enforcement authorities to prevent future smuggling. To date, the system has operated well. However, the European Anti-Fraud Office feels it is not enough to have an agreement with only one manufacturer; a more global solution is needed, at the European or world level. The Convention is a vehicle for progress in this regard. A protocol on tracking and tracing, based on provisions of the agreement with Philip Morris International, would be a major step. Based on their experience, the Office prepared a paper for WHO for the first session of the Conference of Parties describing the possibility of developing a protocol to establish an international tracking and tracing regime for cigarettes, which would fall under article 15 of the Convention, on illicit trade in tobacco products.

Follow-up actions

53. On the elaboration of protocols, the Conference requested the secretariat to invite each WHO region, in consultation with the parties from their region, to nominate up to four experts per region to prepare a template for a protocol on illicit trade, on the basis of article 15 of the Convention, taking into account the work of entities competent in the matter. Upon the elaboration of the protocol, the experts would be aided by the technical input of agencies such as the World Customs Organization, Europol, the European Anti-Fraud Office, the World Bank and IMF.

E. The tobacco industry and corporate social responsibility

54. For WHO, tobacco companies and social responsibility are an inherent contradiction. As tobacco companies seek to enhance their participation in the corporate social responsibility movement and develop additional activities throughout the world, care needs to be taken in order to avoid the impression of collaboration or partnerships with tobacco companies. While some of the activities of companies may seem laudable at first glance, the end goal of tobacco companies is to increase their sales and market share, which is incompatible with health, well-being and sustainable development. Tobacco, while legal, is unique in that it is a consumer product that when used as directed by the manufacturers causes death, disease and disability among consumers on a large scale. Corporate social responsibility activities should not minimize the impact of the product on mankind, the operations of tobacco companies are therefore incompatible with the principles of responsibility and of the Global Compact. Because the goals of health and development agencies and those of tobacco companies are mutually exclusive, no partnership or collaborative endeavours should be realized. Furthermore, the position of WHO is that the tobacco industry, along with weapons manufacturers, is excluded as a source of funding.

55. Through the Tobacco Free Initiative, WHO has been involved with the International Organization of Standardization in efforts to develop non-binding standards of social responsibility (ISO 26000). The stated goal of the initiative is to develop guiding principles with global relevance that would be useful to organizations worldwide in establishing, implementing, maintaining and improving the way they address social responsibility. WHO urges other United Nations

agencies to adopt its position, namely that health is an inherent human right, and the negative impact of a product on human health cannot be overlooked when developing criteria and standards of social responsibility. WHO also believes that the tobacco industry should not be allowed to use social responsibility programmes or strategies to promote their products or business in any way. The right to health should therefore appear as a basic human right in the principles section of the standard.

56. The Global Compact seeks to promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalization. It aims to bring companies together with United Nations agencies, labour and civil society to support universal environmental and social principles. However, WHO is concerned that there are three tobacco companies listed in the Global Compact and that those companies use that fact to create an impression of association with the United Nations system, sending a misleading message that indicates the active support of the United Nations system for their social activities and, by extension, for their business. Two subsidiaries of British American Tobacco, Souza Cruz of Brazil and the Ceylon Tobacco Company of Sri Lanka, are listed as is Standard Commercial Tobacco of Malawi.

57. WHO is aware that the Global Compact does not actively approve or promote the activities of the companies included in their list; it also realizes that being listed does not mean that a company is socially responsible. However, there are concerns that that is how it would be perceived from the outside and that tobacco companies will take advantage of this misleading impression.

Follow-up actions

58. Different United Nations and other intergovernmental entities are not clear on how to draw the line on donations from the tobacco industry when seeking funding from donors for relief and other humanitarian activities. The Task Force therefore seeks guidance from the Global Compact on the issue, given its field of expertise. The Task Force recommends that the Economic and Social Council call upon the Global Compact to create a working group to examine the issue of investments and participation of tobacco companies and their affiliates in the Global Compact. The working group would discuss what role, if any, tobacco companies might have as partners or donors in the activities of United Nations and intergovernmental agencies.

IV. Conclusions and recommendations

59. **The following recommendations are submitted to the Economic and Social Council:**

(a) **Second-hand smoke kills. It is an occupational hazard and has a variety of psychological and social aspects. There is no safe level of exposure to second-hand smoke, hence the need to strictly regulate it in order to protect the health of workers. In the light of the experience of countries and agencies that have successfully banned tobacco use in the workplace, the Task Force strongly recommends that a complete ban on smoking be implemented at all United Nations premises (headquarters, regional and country offices). The Task Force**

recommends that a resolution be adopted by the Council calling for the following actions to be taken:

(i) implementing of a smoke-free policy at the United Nations;

(ii) a banning of sales of tobacco products on United Nations premises;

(iii) negotiation of a smoking ban in consultation with staff;

(iv) an approach to the issue from an occupational safety and health perspective.

(b) Given the mandate of ILO and WHO to promote optimal working conditions and that labour unions, Governments and employers are becoming more aware of the problems caused by second-hand smoking and the need to address them, the Task Force recommends that ILO and WHO jointly develop a code of practice on smoking in the workplace.

(c) Based on the evidence linking tobacco use with poverty and development and following the decision by the Conference of the Parties to the Framework Convention on Tobacco Control, which strongly encourages international and regional organizations to support activities related to tobacco control and to acknowledge its role in the achievement of the Millennium Development Goals, the Task Force recommends stronger inter-agency collaboration to help include tobacco control in the national development programmes of countries, particularly low-income countries. With a view to achieving this goal, the Task Force particularly encourages the involvement of specialized development agencies in the organization of national workshops, in collaboration with WHO, to support the countries that want to develop poverty reduction strategies, including tobacco control activities, for the achievement of the Millennium Development Goals.

(d) Given the multisectoral aspect of tobacco control and the need to implement the Convention at the country level, collaboration with different intergovernmental agencies is needed in a number of areas. Following the decisions made by the Conference of the Parties to the Convention at its first session from 6 to 17 February 2006, the Task Force recommends:

(i) Collaboration with intergovernmental organizations and international financial institutions, such as IMF and the World Bank, to advise countries in the implementation of sound tax measures as an effective and cost-effective tobacco control measure to reduce tobacco use and increase Government revenues;

(ii) Collaboration with specialized agencies, such as FAO, to work with the ad hoc study group mandated by the Conference to explore economically viable alternatives for tobacco workers, growers and, as the case may be, individual sellers;

(iii) Collaboration between Task Force members to explore tobacco control activities in need of funding and ways to gain access to the funds needed. This work will be summarized in a report to be presented to the Conference at its second session, to be held in the first six months of 2007.

(e) At its first session, the Conference highlighted the need for the elaboration of a protocol on illicit trade in tobacco products. The Conference

decided that a working group should be established, including up to four experts nominated from each WHO region, to prepare a template for the protocol. The working group should take into account the work of entities competent in the matter. Given the scope of its work, the Task Force recommends the active input of entities such as the World Customs Organization, the European Anti-Fraud Office, Europol, IMF and the World Bank during the elaboration of the protocol.

(f) WHO is of the view that tobacco companies and corporate social responsibility are inherently contradictory, because promoting and selling a deadly product and activities irreconcilable with acting as a socially responsible industry. It is unfortunate that three tobacco companies are listed in the Global Compact, an initiative established with the aim of promoting responsible corporate citizenship. The concern is that those companies will take advantage of their position to promote their activities and their image as socially responsible corporations. In order to prevent situations where the tobacco industry can use its social activities to remodel its image and make it positive in order to gain markets, the Task Force calls on the Council to recommend that the Global Compact establish a working group that would examine the extent to which tobacco companies can invest and participate in socially responsible activities, in particular in relation with the work of the United Nations. The working group would bear in mind the contradiction between the tobacco industry and social activities, and use that as a base in their discussions regarding the role the tobacco industry would have as partners or donors in the activities of the United Nations and intergovernmental agencies.